

BOARD OF GOVERNORS OF CONCORDIA UNIVERSITY

MINUTES OF A SPECIAL MEETING OF THE BOARD OF GOVERNORS HELD ON
TUESDAY, AUGUST 23, 1988, AT 8:00 A.M., IN ROOM H-769, SGW CAMPUS

Attendance: Mr. A. Amini, Mr. J. R. Firth, Dr. S. Friedland, Me P.A. Gervais, Chairman, Dr- P. Kenniff, Rector and Vice-Chancellor, Mr. F. Knowles, Mr. A. Madsen, Ms. S. McLeod, Mr. D.W. McNaughton, Mr. A. H. Michell, Mr. P. Shea.

Secretary of the Meeting: Me S. Gaudet

Absent: Mr. B. Aune, Dr. J. Bhatnagar, Mr. M. J. Bourgault, Mme M.J. Drouin, Mr. J.N. Economides, Mr. L. Ellen, Dr. T. Fancott, Chief Justice A. B. Gold, Mr. R.K. Groome, Dr. H. Habib, Mr. T. Hecht, Mr. P. Ivanier, Dr. M. Kusy, Mr. R. Lawless, Mr. P. Martin, Me J. J. Pepper, Dr. M. Shames, Mr. J.H. Smith, Mr. W.W. Stinson, Mr. C.I. Taylor, Mme L. Watier, Mr. N. Woollard, Dr. M. Cohen, Dr. J.C. Giguère, Dr. F. R. Whyte.

DOCUMENTS CONSIDERED AND ATTACHED TO THESE MINUTES:

BG-88-6-D32 - Resolution authorizing a 5M\$ Bond Issue

1. Chairman's remarks

The Chairman welcomed the Governors and thanked them for coming on such short notice. He explained why this Special Meeting was necessary; he and Dr. Kenniff had reviewed the situation-and, although they were reluctant to ask the Governors to convene at this time of the year, the decision required this morning could not be approved through the Executive Committee.

Dr. Kenniff added that to his knowledge it was the first time that the Government required approval of a bond issue during the summer like this is the case now. He said the Administration would be reviewing the procedure followed by other universities and would attempt to find a more suitable solution.

2. Approval of a 5M\$ Bond Issue

Some of the Governors wanted to know the purpose of this particular bond issue. Was it to refinance a previous issue, or to finance capital expenditures for the fiscal year? Dr. Kenniff answered that this issue was to be used, in part, to refinance a previous issue- (According to -information provided by Me Marc Rochefort who was handling the legal

aspects of the bond issue, proceeds from this 5M\$ bond issue would be used both to refinance a previous issue and to finance capital expenditures). This is not related however to the financing of the first phase of the building project of the new library.

It was moved and seconded (Michell, Knowles) and unanimously RESOLVED:

R88-57 *WHEREAS in virtue of the Principal Trust Agreement (the "Principal Trust Agreement"), bearing formal date of March 23, 1988, granted by CONCORDIA UNIVERSITY (the "Corporation") in favour of SOCIETE NATIONALE DE FIDUCIE, as Trustee (the "Trustee"), provisions were made for the issue of Bonds of the Corporation, without limit as to the aggregate principal amount at any one time outstanding;*

WHEREAS the Corporation intends to issue, under the terms of the Principal Trust Agreement, five million dollars (\$5,000,000), principal amount, of Additional Bonds to be designated as "Series 2 Bonds" and to establish the terms and conditions thereof by a Supplementary Trust Agreement (the "Supplementary Trust Agreement").

1. *THAT the Corporation be authorized to borrow an amount of five million dollars (\$5,000,000.00) by way of an issue of Bonds designated as Series 2 Bonds (the "Bonds");*
2. *THAT the Bonds:*
 - a) *be dated as of September 1, 1988;*
 - b) *mature on September 1, 2008;*
 - c) *be issued in bearer form Coupon Bonds, which may be registered as to principal, and in the form of Fully Registered Bonds;*
 - d) *be drafted in such form, bear such serial numbers and contain such terms and conditions, not substantially in contradiction with the provisions hereof, as: may be determined by the officers of the Corporation who will execute same;*
 - e) *bear interest at the rate of 11.25% per annum, with respect to Bonds in bearer form, from September 1, 1988 to maturity, payable semiannually on March 1 and September 1 of each year on presentation and surrender of the interest coupons and, with respect to Fully Registered Bonds, from the date of registration thereof if it be March 1 or September 1 or, in all other cases, from*

March 1 or September 1 next preceding the date of registration thereof, provided it be no earlier than September 1, 1988, the interest thereon being payable semi-annually on March 1 and September 1 of each year until full payment of principal, any interest payment in arrears bearing interest at the same rate as the one applicable to such Bond;

- f) be issued, in denominations of \$1,000, \$5,000, \$25,000 and \$100,000 with respect to Bonds in bearer form, and in denominations of multiples of \$1,000 but which must not be less than \$5,000 with respect to Fully Registered Bonds;*
- g) be exchangeable, without cost to their holders, for an equal aggregate principal amount of Coupon Bonds or Fully Registered Bonds of any authorized denominations and having,, in each case, the same terms and conditions;*
- h) be payable in legal money of Canada at any branch in Canada of the Bank of Montreal, at the option of the holder thereof, as to the principal of the Bonds and as to the interest payable on the coupons, and, as to the interest payable on Fully Registered Bonds, by cheque or draft payable at par and drawn on a bank governed by the Bank Act (Canada) or a savings and credit union authorized to carry on business in Quebec;*
- i) be not redeemable prior to their maturity at the sole option of the Corporation, but be purchasable by it by tender or private agreement, at any price not exceeding their principal amount or the redemption price thereof, if any, accrued interests and the costs of purchase;*
- j) be signed, for and in the name of the Corporation, by any of its officers, so long as they are two acting jointly, and the coupons annexed thereto be signed by one or the other of such officers; these signatures may be printed, engraved or otherwise reproduced, such reproduced signatures being considered as manual signatures and having the same force and effect;*

- 3. To deliver the Bonds to the persons, at the dates and upon such conditions as may be determined by the officers of the Corporation who will sign the Supplementary Trust Agreement hereinafter mentioned;*

4. *To approve the appointment of Société Nationale de Fiducie, a trust company having its head office in Montréal as trustee, made by the ministre des Finances acting as agent for the Corporation;*
5. *To approve the appointment of Mr. March Rochefort of the law firm of Guy & Gilbert, of Montréal, to act as counsel to prepare and revise the relevant documentation and to deliver an opinion as to the validity of the borrowing and the issue of the Bonds, made by the ministre des Finances acting as agent for the Corporation;*
6. *To approve the appointment of Yvon Boulanger Limitée, of Montréal, to print the form of the Bonds, made by the ministre des Finances acting as agent for the Corporation;*
7. *To approve the draft of the form of the Bonds, in the form of Coupon Bonds- and in the form of Fully Registered Bonds, as submitted to this Meeting;*
8. *To ask the ministre de l'Enseignement supérieur et de la Science to grant to the Corporation, for and in the name of the Gouvernement du Québec, a subsidy payable out of the funds voted annually for that purpose by the Parlement, to secure the payment of the Bonds in capital and interest;*
9. *To secure the Bonds by the assignment to the Trustee representing the holders of the Bonds of the subsidy of the Gouvernement du Québec, it being understood that neither the Corporation nor the Trustee way require that the moneys to be deposited to the University Institutions Sinking Fund be remitted to them by the ministre des Finances before September 1, 2008 for \$3,340,000;*
10. *To authorize any of the officers of the Corporation, so long as they are two acting jointly, to execute, for and in the name of the Corporation, the Supplementary Trust Agreement to be entered into, to consent to all provisions and undertakings as they may deem not substantially in contradiction with the terms and conditions hereof, to consent that the proceeds from the sale of the Bonds be remitted to the Trustee and used by the latter only upon the authorization of the ministre de l'Enseignement supérieur et de la Science or of its duly authorized representative, and to do such things and sign such other documents as they may deem, in their sole discretion, necessary or useful for the purpose of giving effect to this resolution;*

11. *To authorize the same persons to deliver the Bonds to the Trustee for certification and to Sign all necessary documents for such purpose and for the definitive delivery of the Bonds to the purchasers;*
12. *To assume from the proceed-s of the borrowing, all the expenses and fees incurred in connection with the foregoing, as well before as after this resolution, including the fees- and expenses of legal counsel, the initial fees of the Trustee and the costs of printing the Bonds, in conformity with the current tariffs negotiated by the ministre des Finances;*
13. *To pay, from the current income of the Corporation, the annual fees of the Trustee in conformity with the tariffs then in force negotiated DV the ministre des Finances;*
14. *To authorize the issue of an Offering Circular with respect to the issue of the Bonds;*
15. *To ratify, subject to the granting by the ministre de l'Enseignement supérieur er de la Science of a Subsidy to secure the payment of the Bonds, in principal and interest, the sale of the Bonds at the Price of 99.22% of their Principal amount together with the accrued interest thereon, if any, up to the date of delivery to Caisse de dépôt et placement du Québec.*

3. In response to a question from Mr. McNaughton, Dr. Kenniff provided information concerning the timetable for the approval of the construction plans for the first phase of the library building, and concerning legal tenders. He said he would have more to report at the regular meeting of the Board on September 28, 1988.

Mr. Knowles wanted to know whether the installation of the new stadium at the Loyola Campus was progressing according to schedule. Me Gervais answered that some delay had been caused by the need to conduct soil tests and to ensure that the contractor's bid was reasonable in the circumstances. Because of these delays, the stadium would not be finished in time for the Shaughnessy Cup Game nor probably for any of the 1988 football games. The University, however, was now in a position to proceed. The contractor (Beaver Construction) is trying to make progress to finish the installation before the winter sets in.

In response to another question, Dr. Kenniff informed the Governors that the construction of the Concert Hall is progressing according to schedule.

Concerning the Vanier Library at Loyola, Dr. Kenniff mentioned that there have been delays due to the late delivery of materials by two sub-contractors. Because of these delays, the move from the existing part to the new facility will have to take place early in

the academic year. This is likely to cause inconvenience and some interruption of service. Particular attention is being paid by the University to the need to maintain service to users and to minimize the inconveniences associated with the construction site (noise, dust, etc.)

4. The meeting terminated at 8:30 a.m.

Bérendère Gaudet,
Secretary